Trade Pact between India and Russia

1858. SHRI SURESH KALMADI :
SHRI BHUBANESWAR KALITA :

Will the Minister of COMMERCE be pleased to state :

(a) whether it is a fact that a Rs. 7,500 crores trade pact has recently been signed between India and Russian Federation continuing Rupee payments arrangements; and

(b) if so, what are the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI P. CHIDAMBARAM) : (a) and (b) The Indo-Russian Trade Protocol for 1992 was signed on 22nd February, 1992. The protocol targets a two way rupee trade turnover of US $2200 million. The Protocol also permits transactions by way of counter-trade, barter, payments in freely convertible currency or any other internationally recognized form of business cooperation. Under the terms of the Protocol all trade transaction shall be denominated in freely convertible international currencies. A technical credit has also been permitted to the Russian Federation with an upper limit of Rs. 850 crores.

Removing the restriction from Imports

1859. SHRI GURUDAS DAS GUPTA: DR. Z.A. AHMAD: Will the Minister of COMMERCE be pleased to state:

(a) whether it is a fact that Government have removed almost all restrictions on imports which were imposed when there was a severe foreign exchange crunch;

(b) if so, what are the details thereof;

(c) whether it is because of the confidence in the country's foreign exchange position; and

(d) if so, what are the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI P. CHIDAMBARAM): (a) to (d) Import of all items other than those covered by the Negative List is allowed freely. Import of items covered by the Negative List other than those import of which is banned, will be allowed against Import Licences. Details in this regard are contained in the Ministry of Commerce Public Notice No. 278-ITC(PN)/90-93 dated 29th February, 1992 copies of which are available in the Parliament Library.

Restrictions imposed by the Reserve Bank of India in the matter of margin money and opening of Letters of Credit, etc. introduced in March, 1991 have also been gradually removed with the improvement in the balance of payment position.

The restrictions have been eased because of the improving foreign exchange position.

Decline in price of Rubber

1860. SHRI M. A. BABY: Will the Minister of COMMERCE be pleased to state:

(a) whether it is a fact that despite the intervention of Government agency, the price of natural rubber is declining;

(b) whether this has affected the rubber growers; and

(c) what action has been taken or is proposed to be taken by Government to find solution to this problem?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI P. CHIDAMBARAM): (a) to (c) The STC has been procuring both RMA-4 and RMA-5 grades of natural rubber from the domestic market. As on 2nd March, 1992, STC has procured 8677 MTs of RMA-4 grade and 6941 MTs of RMA-5 grade of rubber from the domestic market. In addition the Kerala State Cooperative Rubber Marketing Federation is also procuring ungraded rubber from the domestic market. As on 29th February, 1992, they have procured 4103 MTs of ungraded rubber. Although in the case of RMA-4 grade and ungraded rubber, the prices showed marginal decline with ups and downs, in the case of RMA-5 grade the price has improved. STC will continue its purchase operations from the domestic market till the prices reach the desired level.

Government has also cleared export of 14,000 metric tonnes of specific grades by